

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, March 21, 2013, 10:30 a.m.
1424 Admiral Court, Second Floor Reading Room
Green Bay, WI 54303

MEMBERS PRESENT: D. Dolan-Wallace-Chair, H. Genunzio, S. Popp, B. Goodlet

MEMBERS ABSENT: W. VandeCastle

OTHERS PRESENT: R. Strong, R. Hallet, N. Aderholdt

APPROVAL OF MINUTES:

1. Approval of the February 21, 2013, minutes of the Green Bay Housing Authority

A motion was made by H. Genunzio and seconded by B. Goodlet to approve the minutes of the February 21, 2013, minutes of the Green Bay Housing Authority. Motion carried.

COMMUNICATIONS:

2. HUD Sequestration letter regarding potential cuts to the 2013 budget

R. Hallet referenced the letter from HUD prior to the sequestration. HUD was giving advance notice to cuts that were likely to take place. She added that since the initial letter, they have received another letter indication that the cuts will be in place due to the sequestration. She then summarized the most recent letter dated March 7, 2013. The sequestration cuts went into effect March 1, 2013, resulting in approximately \$85 billion being cancelled for all federal programs for the remainder of the fiscal year. For HUD, this means a 5% reduction of the Financial Year 2013 annualized. With the Continuing Resolution, this results in a funding proration of 73% for the remaining 9 months of the calendar year; the funding proration for the full year is 77%.

R. Hallet stated that more detail regarding the impact of this will be discussed in Item #6.

D. Dolan-Wallace asked for a brief explanation of the proration, stating that initially it was at 92%. The initial letter listed 81% as a projected proration, while the final numbers indicate 77%. R. Hallet did not recall how the proration went down to 77% and offered to look into this further.

OLD BUSINESS:

3. Approval to award Scattered Site Foundation Repair

R. Hallet referenced Attachment 3b, which indicates the vendors that bid on the foundation repair Phase 2. The lowest bidder placed a bid for an amount for more than the Authority had initially allotted. The initial estimate was for \$32,000; the lowest bid came in at \$54,900. Because, at the previous meeting, the Commissioners had approved both Phases 2 and 3, and because the low bid for Phase 2 is within the amount budgeted for Phases 2 and 3, she is looking for a formal approval to proceed with Phase 2 and award the bid to the lowest bidder. She also added that they have adjusted the projected cost for Phase 3 based on the actual cost of Phase 2.

B. Goodlet asked about the difference in amounts between the two bids. R. Hallet responded that this is likely due to Andersen Basement coming in at a very low bid, while the other vendors were higher, yet in much closer range to each other than in Phase 1.

Andersen Basement likely realized how low they bid for Phase 1 and decided that they had room to increase their bid while still coming in as the lowest bidder. D. Dolan-Wallace asked if there were any extra costs associated. R. Hallet responded that while there was a situation that was discovered while the work was underway which had the potential for additional costs, ultimately it did not increase the cost.

A motion was made by S. Popp and seconded by B. Goodlet to approve the award of the contract to the lowest bidder, Andersen Basement for \$54,900, as written. Motion carried.

D. Dolan-Wallace added that they still need to get Phase 3 complete. R. Hallet indicated that this will be addressed under the next agenda item.

NEW BUSINESS:

4. Discussion and approval to re-designate reserve funding allocations

R. Hallet recalled the initial discussion regarding use of reserve funding because HUD had threatened to recapture it. While they haven't directly taken it, HUD has adjusted by reducing funding in relation to the reserves. Because of this, the GBHA needed to determine how to spend some of these funds. They had previously discussed different projects that they could be completed with this money. R. Hallet stated that approximately 90% of these projects have either been completed or are underway. Staff has determined in the process of prioritizing the remaining projects that the foundation repair is the highest priority of all potential projects. The projects that have not been completed that have been prioritized behind Phase 3 include the purchase and installation of motion lights at the Scattered Site properties not to exceed \$12,000, purchase and installation of dehumidistats in the bathrooms of Scattered Sites properties, also not to exceed \$12,000, and purchase and installation of fencing at various Scattered Sites properties not to exceed \$80,000.

She added that she and N. Aderholdt had discussed these projects and have concluded that through other means they have gotten the humidity issue under control and thus do not need the dehumidistats at this point. The \$12,000 that was allocated for the dehumidistats could be transferred to the foundation repair. They decided that they would still like to proceed with the installation of motion lights, largely for safety reasons. While they would still like to do fencing at some of the properties, the foundation repair is of primary importance. As such, they are requesting that the full \$80,000 that was designated for fencing be transferred to foundation repair. There is still about \$20,000 remaining that was previously budgeted for foundation repair, plus the above \$92,000 to be transferred from other projects, which would result in a total of \$112,000 to finish the foundation repairs and should be more than enough to complete Phase 3 and potentially in the future to complete Phases 4 and 5.

A motion was made by S. Popp and seconded by H. Genunzio to reallocate the funds as requested by R. Hallet to complete the foundation repair. Motion carried.

5. Discussion and approval to begin process to seek bids for Mason Manor and Scattered Site landscaping

R. Hallet stated that this is somewhat related to Agenda Item #4 because they feel it is important to identify and get the foundation repairs completed before doing the landscaping on the properties rather than have to redo the landscaping after the foundation repair is complete. She has worked closely with N. Aderholdt to determine which properties need landscaping work done, which need foundation repair, and how they will schedule it all. Several months ago, they hired a landscaping company who went to all the properties to

help draw up sketches and put together a scope for when the GBHA goes out to bid; this scope included both Scattered Sites and Mason Manor.

N. Aderholdt reported that the landscape company broke Mason Manor into 21 different sites so that we could pick which ones to focus on depending on the money available, and each site is accompanied with a detailed explanation. She added that the prices that were quoted did not include the cost of delivery of supplies; however, it would be more cost effective to proceed with more than one site at a time. For all 21 sites for Mason Manor, the quote is \$17,801. For Scattered Sites, they broke the quotes up by east and west sides and then by properties. For the east side, the quotes ranged per property from \$1,500-\$2,700 for a total quote for the east side of \$42,281. The west side property quotes ranged from \$1,600-\$3,000 for a total for the west side of \$37,067. The total cost quoted for Scattered Sites is \$79,348. She concluded that they are looking at over \$100,000 for landscaping.

R. Hallet added that landscaping is one of the projects that had been previously approved for use of reserve funds, initially designating up to \$80,000 for Scattered Sites' landscaping and \$25,000 for landscaping and exterior benches at Mason Manor.

R. Hallet clarified that this is not a bid; this is only an estimate so they can appropriately prepare the budget for this moving forward.

D. Dolan-Wallace asked if the scope included grading. N. Aderholdt responded that it did, and it was a major item being looked at. She added that they would place certain plants that would absorb more water. Also, at this point some properties cannot be landscaped because of the foundation repair that needs to be done. This project could take one to two years to complete. N. Aderholdt added that if they give the contractors a strict timeline, they risk the possibility of having to pay employees overtime.

N. Aderholdt stated that the same idea applies to Mason Manor, noting that the process could be done in phases. B. Goodlet asked if this would be done in their phases. R. Hallet responded that when they go out to bid, it will specifically be for the sites that the GBHA determines appropriate for Phase 1.

A motion was made by H. Genunzio and seconded by S. Popp to go forward with bids for landscaping for Scattered Sites and Mason Manor. Motion carried.

6. Discussion and actions regarding sequestration operating fund cuts

R. Hallet stated that HUD has given some guidance as to what housing authorities could do as a response to the sequestration funding cuts. HUD released two notices indicating temporary regulatory provisions that housing authorities could implement; ultimately these provisions would require changes be made to the Admissions and Continued Occupancy Policies. She also stated that any ideas that the Commissions may have are welcome. She was careful to note that HUD's provisions are temporary through March 2014.

One of the provisions is for housing authorities to use participants' past income as verification of anticipated income, if the participant agrees that income is still accurate. Currently, anticipated income is used to determine rent and eligibility. She stated that she and Nan McKay & Associates are in agreement that this may not be the best option for various reasons.

Another possibility is to allow households to self-certify if they have assets that are less than \$5,000. Currently, the GBHA is required to verify clients' assets, most of which are below \$5,000. The process of verifying assets takes a significant amount of staff time and typically only results in a \$1 or \$2 impact on rent. R. Hallet stated that she would be in favor of implementing this, though they would have to examine their documents to be sure they are asking for as exact a number as possible and that the wording indicates that the resident is self-certifying. N. Aderholdt added that she has never had to contact a financial institution to get information for clients as the clients always provide the required documentation. R. Hallet stated that implementing this would eliminate clients having to provide their bank statements. N. Aderholdt responded that this possibility makes her nervous because of the uncertainty of the information that is left undocumented. Various concerns were raised including setting clients up for fraud if they do not understand what is meant by "assets." B. Goodlet suggested including a "first-time warning" in an effort to avoid setting people up for fraud. N. Aderholdt brought up a concern that the policy may only be temporary, providing an inconsistent process for clients. S. Popp asked R. Hallet for her opinion on this suggestion, particularly asking about what Integrated Community Solutions (ICS) thinks about this possibility in regards to the HCV Program. R. Hallet responded that ICS is going to look into this further; they too would have to change their paperwork. She added that she is going to rely on N. Aderholdt's experience with the tenants. N. Aderholdt responded that obtaining the paperwork and bank statements from the tenants is never an issue, nor is it time consuming. R. Hallet then decided that for the time being they would not proceed with this, though down the road they could reexamine it.

Another provision allowed by HUD is to allow optional streamlined annual recertifications for elderly and disabled families who are on fixed incomes. Essentially, if 100% of a client's income is fixed (as defined by HUD), the housing authority may use that income along with the published cost of living adjustments by the source and not have to take any further steps. She added that this is one of the suggestions that ICS is choosing to implement because it is particularly helpful in verifying State SSI. N. Aderholdt added that she and Anne Monday have verified SSI via bank statements because it is directly deposited. N. Aderholdt inquired if this would also apply to allowances that affect their rent. R. Hallet clarified that this is only for income, not allowances, and would be most applicable to pensions and State SSI. Based on N. Aderholdt's input, R. Hallet suggested waiting to adopt this and thinking further on the implications of adopting this.

R. Hallet concluded that based on the discussion, the GBHA will not adopt any of these at this point but will keep them in mind for possible future implementation. She then opened discussion up for any ideas for cost savings outside of these HUD provisions, perhaps more on the administrative side.

S. Popp suggested looking at how the 77% proration will affect services and implementation of the program. D. Dolan-Wallace added that because this may only last one year, it might be better to cut some maintenance. R. Hallet added that because there is currently no senior accountant, there hasn't been a real analysis on costs and what the actual economic effect will be. N. Aderholdt replied that many of the properties had previously been neglected, and maintenance is just starting to restore the properties.

R. Hallet reminded everyone that the GBHA receives two sources of funding from HUD: capital funds and operating funds. She added that she hasn't heard how the capital funds are being affected by sequestration, though she suspects that that will be decreasing as well. The cuts are from the operating funds, which affect general administrative costs and routine maintenance. The larger capital improvement projects are funded from the capital funds.

S. Popp suggested that the next step is to determine where the cuts are coming from and examining maintenance over staff. D. Dolan-Wallace clarified that the cuts have already been administered from HUD, so the GBHA will have to make some decisions relatively quickly. R. Hallet added that while it would be preferable to examine the overall finances, the reality is there hasn't been an accountant for several months, and it would likely be 4 months before the new accountant would be caught up on all the necessary accounting work that has gone undone and would understand the program well enough to be able to put numbers together. H. Genunzio responded that there must be some evidence as to what amount of money is coming in versus what amount of money is outgoing. R. Hallet reported that for January and February 2013 (which was 92% proration), Mason Manor received \$13,938. For March 2013 (81% proration), Mason Manor received \$12,576. D. Dolan-Wallace stated that with N. Aderholdt taking on two positions, they have saved an enormous amount of money. R. Strong interjected that they have been able to save by keeping that position vacant and by not having an accountant for the past few months. He added that they have not yet determined what level the new position will be at, so they may be able to save money in that, too, if it is a lower level position. He also recalled that they had some administration reserves that could be used to get through 2013, noting that if in the future they find that these cuts will be long-term, some actions will need to be taken. R. Strong suggests using some of the reserve fund to proceed as usual through the year barring HUD stating that the cuts will be for more than one year.

S. Popp stated that she would rather cut on the project side rather than cut staff. It will be important to make sure that N. Aderholdt does not get over-worked while performing two jobs. N. Aderholdt added that she has an intern three days a week, and it would be possible to hold off on filling that position because of the help the intern provides.

D. Dolan-Wallace suggested the possibility of working with and consolidating with the Brown County Housing Authority so that jobs and services aren't being duplicated, or if it would be possible to cut down hourly rates to achieve the necessary 20% savings. He added that the GBHA has to maintain a standard with the services that are provided, and these new problems will require very creative solutions, for example shopping for best insurance rates. R. Strong agreed that all of these options should remain on the table and is hopeful that they will have a better idea of what the 2014 budget will look like in the relatively near future. He also stated that the other side of this is revenue, though he is not sure that there is anything that could be done in terms of increasing revenue in a meaningful way while still providing high quality service.

D. Dolan-Wallace stated that they should continue to examine these issues and possibilities on a monthly basis.

7. Adoption of Resolution No. 13-02 Civil Rights Certification

R. Hallet stated that this is the time of year when the GBHA has to do the annual plan. Because the GBHA is a small housing authority, they are able to streamline the process and only hold a public hearing, which is coming up. The GBHA will need to do the civil rights certification, which is standard language that needs to be signed off on every year.

A motion was made by S. Popp and seconded by H. Genunzio to adopt Resolution No. 13-02 Civil Rights Certification. Motion carried.

8. Adoption of Resolution No. 13-03 Adopting Revised Flat Rents and Ceiling Rents for Mason Manor Public Housing

R. Hallet stated that last month the GBHA adopted new ceiling rents for Mason Manor, and a resolution is needed for this. R. Strong clarified that this is the same action that was taken on this issue at the previous meeting, only now there is a resolution attached.

A motion was made by B. Goodlet and seconded by S. Popp to adopt Resolution No. 13-03 Adopting Revised Flat Rents and Ceiling Rents for Mason Manor Public Housing. Motion carried.

INFORMATIONAL:

9. Langan Investigations Report for 2012

R. Hallet stated that the previous report submitted had some errors. The total numbers screened are the same as the previous report indicated 56; the difference was only in which months and at which project – Mason Manor or Scattered Sites. The report that is in the meeting packet is the correct report.

A motion was made by S. Popp and seconded by H. Genunzio to receive and place on file. Motion carried.

10. Follow-up on comment regarding Mason Manor's washers and dryers

R. Hallet stated that the new large capacity washer is actually no larger than the other washers. They did specifically request a large capacity washer and dryer when they went out for bid on this. Whirlpool does not indicate a weight capacity; others indicated a 20-pound rating. Whirlpool's drum size is slightly larger than the others, so it was assumed that they would have a similar weight capacity. She speculated that perhaps even though the drum size is the same, the machines have the capacity to operate as intended with the larger items. H. Genunzio stated that she does not believe that they are being used because they appear to be the same size, and they are more expensive. N. Aderholdt responded that they are getting used, but not as much as the regular size machines based off of necessity. R. Hallet suggested she could contact Whirlpool or the vendor to get confirmation that the large capacity machines will successfully operate on the larger loads.

S. Popp asked what happened with the resident who had concerns with the new hallway lights being too bright. N. Aderholdt stated that the resident is still here and that nothing has happened; it seems she has adjusted to the light.

FINANCIAL REPORT AND BILLS:

None

D. Dolan-Wallace inquired if they are any closer to making a decision on a Senior Accountant. R. Hallet responded that they were hoping to follow through with second interviews and make a decision shortly thereafter. R. Strong added that there were several well-qualified candidates, and they are confident that they will have someone hired in the near future.

STAFF REPORT:

11. Monthly report of deficiencies found in Scattered Site inspections

N. Aderholdt reported that she did not do these inspections this month because she has been focusing on doing the annual unit inspections at Mason Manor. She will be doing all of the Scattered Site inspections in April. She added that she will wait until June to do inspections again because the seasonal maintenance help will be coming back in May and

would be able to complete more of the work orders. D. Dolan-Wallace asked if it would be a good idea to scale back on some of the inspections. N. Aderholdt responded that she would appreciate that, clarifying that the frequency of inspections largely depends on the tenants. She added that when Reed Lewis does work orders, he is able to report some potential issues to her. She wanted to let the Commissioners know that she did skip the month of March and would probably skip the month of May. The Commissioners were in agreement that that is an acceptable and appropriate practice because N. Aderholdt knows and understands the tenants.

R. Hallet then asked if this needs to continue to be an agenda item and if N. Aderholdt needs to continue to provide the written reports. D. Dolan-Wallace responded that he would absolutely like to keep a written record of each instance. N. Aderholdt stated that she does keep a detailed spreadsheet from inspections. She added that she would like to provide updates at least once a year and particularly before REAC.

12. Occupancy reports for Mason Manor and Scattered Sites

R. Hallet stated that she has asked N. Aderholdt to assume responsibility for compiling this report monthly and then asked her to present it. N. Aderholdt reported that the upcoming vacancy for Scattered Sites is 1102 Pine; the tenant is willing to find a new place on her own and has been given through the end of April before she will be evicted. 1416 University is currently vacant and is being prepared for turnover right now; it will be re-rented April 5.

N. Aderholdt reported that the following apartments are currently vacant at Mason Manor: 305, 319, 419, 619, 801, and 510. She reported that 305 is leased up and is no longer vacant; 319 is vacant due to a transfer to 320; 419 was a move-out; 619 is due to a transfer to 618; 801 is vacant due to a transfer to 804; and 801 will be re-rented on April 3. 510 will be re-rented on May 1. She stated that she is currently looking for tenants for 319 and 419, and 619 will be re-rented June 1. H. Genunzio stated that the reason for the transfers is that current tenants are moving from smaller units to larger units. N. Aderholdt added that they are waiting until June 1 for 319, 419, and 619 because currently Jeremiah is the only staff available to prepare the units for turnover.

R. Strong asked for clarification on the waiting list. N. Aderholdt responded that there is a year-long waiting list; she is having difficulty finding people that have been waiting for a year that are still interested because most times applicants need something more quickly and find something else before they get to the top of our waiting list. She added that she did not differentiate between one- and two-bedroom applicants on the written report, but that there are 63 total applicants. She did the current occupancy rates, not the past 12 months. R. Hallet added that the accountant provided the numbers regarding the past 12 months, and she does not have access to do that. The occupancy rates have been slowly decreasing but should be going back up. N. Aderholdt added that she spoke with the maintenance staff, and they informed her that January, February, and March are typically the worst months for vacancies, so it should be going back up. She reported that occupancy rates for Scattered Sites are rising and will be fully occupied by May 1.

A motion was made by S. Popp and seconded by H. Genunzio to adjourn. Motion carried.

Meeting adjourned at 12:00 p.m.

mmr:rah:ejns